

FX PARTE OR LATE FILED

FILED/ACCEPTED

JUN 13 2007

Federal Communications Commission
Office of the Secretary

Joseph Jackson
Associate Director
Federal Regulatory

DOCKET FILE COPY ORIGINAL



1300 I Street, NW, Suite 400 West
Washington, DC 20005

Phone 202 515-2467
Fax 202 336-7922
joseph.r.jackson@verizon.com

~~ORIGINAL~~

EX PARTE

June 13, 2007

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-A325
Washington, DC 20554

ORIGINAL

~~DOCKET FILE COPY DUPLICATE~~

Re: Petitions of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Boston, New York, Philadelphia, Pittsburgh, Providence and Virginia Beach Metropolitan Statistical Areas, WC Docket No. 06-172

On a May 25, 2007 conference call, Wireline Competition Bureau Staff requested that Verizon provide confirmation and/or clarification relating to information provided in certain exhibits to the Lew/Wimsatt/Garzillo Reply Declaration filed on April 18, 2007 in the above-referenced proceeding.

Exhibits 1.A-1.F

Exhibits 1.A through 1.F provide the number of competitive switched access lines, as well as Verizon's retail switched access lines (including those provided to the former MCI), by wire center. Verizon confirmed that "Resale" data represent lines provided to competitors under Section 251(c)(4). "Whsl Adv" data represent "Wholesale Advantage" lines, the market-based successor to the regulated UNE platform service that Verizon was at one time required to provide. Verizon confirmed that lines serving small-business customers were classified as "business" and not "residential" lines.

REDACTED - FOR PUBLIC INSPECTION

No. of Copies rec'd 0
List ABCDE

Wireline Bureau Staff asked whether the E911 listings data that Verizon submitted included wireless or nomadic VoIP customers, which are not always physically located in the area associated with their NPA-NXX code. The E911 database that Verizon used to estimate competitive facilities-based lines is separate from the databases that are queried when E911 calls originate from an over-the-top VoIP or mobile wireless subscriber. Because listings associated with over-the-top VoIP and wireless customers are not captured in Verizon's E911 data, Verizon's estimate of total competitive facilities-based lines is conservative.

In response to Staff's request, Verizon also indicated that estimates of competitive facilities-based lines based on E911 listings data may be conservative because E911 listings associated with the former MCI and attributed to Verizon may include listings that Verizon Business (formerly MCI) provides on a wholesale basis to serve customers of cable telephony providers. Staff inquired to what extent Verizon Business is providing wholesale E911 service in these six MSAs. Verizon Business is providing wholesale E911 service to approximately [Begin Highly Confidential] [End Highly Confidential] lines in the New York and Pittsburgh MSAs, respectively. Verizon Business does not maintain data in the ordinary course of business that would enable it to determine how many of these lines, if any, are within Verizon's local telephone service areas as opposed to another ILEC's territory.

Staff asked for further explanation of Verizon's methodology for assigning E911 listings to specific wire centers. Attachment A provides a detailed explanation of Verizon's methodology.

Exhibit 2

Exhibit 2 provides Verizon's retail switched access lines, excluding those provided to the former MCI, by wire center. Lines served by the former MCI are included in the "Verizon End User Lines (Retail + MCI)" column of Exhibits 1.A-1.F.

Verizon provided disaggregated data for these retail lines according to the type of service. "Official" lines are Company Official Lines for internal use; the FCC requires the exclusion of Company Official Lines for other data reports, such as ARMIS and Form 477. "Public" lines are payphone lines. Specifically, the classifications for retail line data are:

Exhibit 2 Data	Description
Retail Res Primary w/o Official	Retail residential main lines excluding lines provided for Verizon's own use.
Retail Res Non-Primary w/o Official	Retail residential additional lines excluding lines provided for Verizon's own use.
Retail Res BRI w/o Official	Retail residential ISDN Basic Rate Interface (BRI) lines excluding lines provided for Verizon's own use.
Retail Total Res w/o Official	The sum of the above three categories of retail residential lines.
Retail Bus POTS w/o Official	Retail business lines provided on a DS0 basis excluding trunks, ISDN BRI and Centrex lines, and excluding lines provided for Verizon's own use.

REDACTED – FOR PUBLIC INSPECTION

Exhibit 2 Data	Description
Retail Bus Centrex w/o Official	Retail business Centrex lines excluding Centrex ISDN BRI lines, and excluding lines provided for Verizon's own use.
Retail Bus BRI Centrex w/o Official	Retail business ISDN BRI Centrex lines excluding lines provided for Verizon's own use.
Retail Bus BRI w/o Official	Retail business non-Centrex ISDN BRI lines excluding lines provided for Verizon's own use.
Retail Bus PRI w/o Official	Retail business ISDN Primary Rate Interface lines excluding lines provided for Verizon's own use.
Retail Bus Other	Retail business PBX trunks, WATS, Feature Group A and FX lines excluding lines provided for Verizon's own use.
Retail Total Bus w/o Official w/o Public	The sum of the above six categories of retail business lines.
Retail Public w/o Official	COCOT and Public Telephone lines excluding lines provided for Verizon's own use.
Retail Total Bus w/o Official w/Public	The sum of the above two categories of retail business lines (business and public).
Retail Total	The sum of all retail residential, business, and public lines above.

Exhibits 3.A-3.F

Exhibits 3.A through 3.F provide E911 listings data for selected competitors, by wire center. The exhibits contain data for the competitors that Verizon profiled in its petitions. The selection of carriers was based on several factors designed to identify the major competitors in each MSA; these factors included the carrier's lines, facilities, and marketing (as indicated by the carrier's own website).

Verizon clarified that the term "Located" in "Located Basis" refers to access lines based on where the customer is located (in contrast to "Operated," which refers to switched access lines based on where the switch serving that customer is located). For example, a customer who lives in Wire Center A may be served from a switch in Wire Center B; where data is compiled on a Located Basis, such a customer is attributed to Wire Center A. Verizon compiled retail line data on a Located Basis.

Exhibit 4

Exhibit 4 provides wholesale switched access lines, by line type, by wire center. Verizon clarified that these data represent wholesale lines served by legacy Verizon to other carriers, and do not include lines that the former MCI may provide to other carriers on a wholesale basis. Exhibit 4 provides two sets of data for each MSA: wholesale switched access lines that legacy Verizon provides to other carriers (excluding MCI), and wholesale switched access lines that legacy Verizon provides to the former MCI. Verizon further clarified that the December 2006 data provided as Exhibit 4 were collected to update the September 2005 data originally submitted in this proceeding.

REDACTED – FOR PUBLIC INSPECTION

Staff asked why the totals for a given month may show negative numbers in some limited cases. This occurs because current access lines in service are determined by taking the prior month's access lines and adjusting them for inward, outward, change, and transfer orders. In addition, there are some corrections/adjustments that affect in-service volumes that are not reflected in service order activity. If the timing of these changes is not in sync or if there are errors on the service orders, a negative in-service number may result for a given month. This is a temporary condition: the necessary corrections are made and generally reflected in the next month's in-service volumes.

Verizon confirmed that "COCOT" lines are Customer Owned, Coin Operated Telephone lines, *i.e.*, payphone lines.

The wholesale switched access line types are:

Exhibit 4 Data	Description
Resale Res POTS	Resale residential main and additional lines.
Resale Res BRI	Resale residential ISDN Basic Rate Interface (BRI) lines.
Resale Total Res	The sum of the above two categories of resale residence lines.
Resale Bus POTS	Resale business lines provided on a DS0 basis excluding ISDN BRI and Centrex lines.
Resale Bus Centrex	Resale business Centrex lines excluding Centrex ISDN BRI lines.
Resale Bus BRI Centrex	Resale business ISDN BRI Centrex lines.
Resale Bus BRI	Resale business non-Centrex ISDN BRI lines.
Resale Bus PRI	Resale business ISDN Primary Rate Interface (PRI) lines.
Resale Bus Other	Resale business PBX trunks, WATS, and FX lines.
Resale Total Bus w/o Public	The sum of the above six categories of resale business lines.
Resale Total Bus w/Public	Resale business lines (above), resale COCOT, and resale public lines.
Whsl Adv Total Res	Wholesale Advantage residential lines.
Whsl Adv Bus DS0	Wholesale Advantage business lines provided on a DS0 basis.
Whsl Adv Bus DS1/PRI	Wholesale Advantage DS1 and ISDN PRI lines.
Whsl Adv Total Bus w/o COCOT	The sum of the three Wholesale Advantage categories above.
Whsl Adv COCOT	Wholesale Advantage COCOT lines.
Whsl Adv Total Bus w/COCOT	The sum of the above two categories of Wholesale Advantage lines (Business and COCOT).
Unbl Loops DS0	Unbundled loops provided on a DS0 level.
Unbl Loops DS1/PRI	Unbundled loops provided on a DS1 or ISDN PRI level.
Unbl Loops DS3	Unbundled loops provided on a DS3 level.

REDACTED – FOR PUBLIC INSPECTION

Exhibit 4 Data	Description
Unbl Loops Total	The sum of the above three categories of unbundled loops.
EEL DS0	Enhanced Extended Link (UNE Loop & UNE Transport) provided on a DS0 level.
EEL DS1	Enhanced Extended Link (UNE Loop & UNE Transport) provided on a DS1 level.
EEL DS3	Enhanced Extended Link (UNE Loop & UNE Transport) provided on a DS3 level.
EEL Total	The sum of the above three categories of Enhanced Extended Link lines.
UNE DS1 EF	Unbundled Entrance Facilities provided on a DS1 level.
UNE DS3 EF	Unbundled Entrance Facilities provided on a DS3 level.
UNE IOF DS0	Unbundled Interoffice Facilities Transport provided on a DS0 level.
UNE IOF DS1	Unbundled Interoffice Facilities Transport provided on a DS1 level.
UNE IOF DS3	Unbundled Interoffice Facilities Transport provided on a DS3 level.
UNE IOF OCN	Unbundled Interoffice Facilities Transport provided on Optical Carrier facilities.
Dark Fiber IOF	Unbundled Interoffice Facilities provided as dark fiber.
Dark Fiber Loops	Unbundled Loops provided as dark fiber.

Exhibit 5

Exhibit 5 provides retail special access and private lines, by wire center. Data are for lines provided by the legacy Verizon and do not include lines served by facilities from the former MCI. Verizon Business does not maintain data for these facilities in this format in the ordinary course of business.

Data are provided in voice-grade equivalents. With respect to SONET volumes, in some cases data do not appear in multiples of 24 because one of the underlying DS1 products (IntelliLight Shared Dual Path, or ISDP) has a conversion factor of 1, rather than a conversion factor of 24.

Exhibit 6

Exhibit 6 provides wholesale special access and private lines, by bandwidth, by wire center. These data represent wholesale lines served by legacy Verizon to other carriers, and do not include lines that the former MCI provides to other carriers on a wholesale basis. Exhibit 6 provides two sets of data for each MSA: wholesale special access and private lines that legacy Verizon provides to other carriers (excluding MCI), and wholesale special access and private lines that legacy Verizon provides to the former MCI. Verizon Business does not maintain data in this format in the ordinary course of business.

REDACTED – FOR PUBLIC INSPECTION

Verizon confirmed that "FMS" represents data for Facilities Management Service. FMS is a special purchasing plan for carriers to obtain special access facilities on a DS0-equivalent basis. Under this option, Verizon manages the engineering and design of a customer's special access network from the customer's designated primary premises to serving wire centers within the same LATA.

Exhibit 7

Exhibit 7 provides the distribution of 2005 revenue from high-capacity special access, by wire center. High-capacity special access is defined as capacities of DS1 or greater. Data are for CABS billed special access, which is confined to interstate and intrastate special access. Retail private lines revenues from services purchased out of retail private line tariffs are not included.

The column labeled "Pct of MSA Total Revenue" represents the percentage of the total high-capacity special access revenue for the MSA that is attributed to a particular wire center. Wire centers are sorted in descending order based on this percentage. The column labeled "Cum Pct of MSA Total Revenue" shows the cumulative percentage of the total high-capacity special access revenue in the MSA that is attributed to a particular wire center and all of the wire centers that precede it on the spreadsheet. The column labeled "Cum Pct of MSA Billing Wire Centers" calculates the cumulative percentage of the total wire centers with high-capacity revenue within the MSA for a particular wire center and all of the wire centers that precede it on the spreadsheet. These last two columns show that the majority of Verizon's high-capacity special access revenue are generated in a small number of wire centers within an MSA.

Verizon submitted data for 2005 because data for 2006 were not available at the time Verizon filed its reply. Attachment B, which is new Lew/Wimsatt/Garzillo Reply Decl. Exhibit 7.1, contains data for 2006.

Exhibit 8

Exhibit 8 provides a list of wire centers exempt from UNE high-cap loop and dedicated transport ordering at the time of Verizon's April 18, 2007 reply. It reflects changes to the original March 11, 2005 list as a result of the Verizon/MCI merger (the February 3, 2006 update), and the supplemental list filed on November 10, 2005 (which became effective on February 15, 2006), as well as CLEC consolidations, corrections, and orders by the New Hampshire and Maine Commissions. For each MSA, Verizon included at the end of the spreadsheet the wire center(s) that will be affected by Verizon's March 23, 2007 supplemental list of non-impaired wire centers, which becomes effective on June 21, 2007.

Exhibit 9

Exhibit 9 provides the number of CLECs with collocation arrangements, by wire center. Data for Verizon's arrangements with MCI were excluded. Staff inquired about arrangements that MCI has with other carriers in Verizon's central offices. Verizon's records show that while some collocators appear to sublet space to other carriers within Verizon's central offices, MCI does not.

REDACTED – FOR PUBLIC INSPECTION

Exhibit 10

Exhibit 10 shows that Verizon provides the vast majority of wholesale inputs to competing carriers in the six MSAs as special access, not as UNEs. Verizon presented data for only a subset of carriers. The selection of carriers was based on several factors designed to identify the major competitors in each MSA; these factors included the carrier's wholesale lines, facilities, and marketing (as indicated by the carrier's own website).

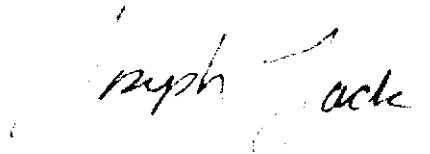
Services for which Verizon is seeking relief.

Staff asked Verizon to clarify the services for which Verizon seeks relief. As indicated in Verizon's petitions, Verizon is seeking substantially the same regulatory relief the Commission granted in the Omaha Forbearance Order. Verizon is seeking forbearance from loop and transport unbundling regulation pursuant to 47 U.S.C. § 251(c) and 47 C.F.R. § 51.319(a), (b) & (e). This applies to Verizon's wholesale provision of voice-grade, DS1, and DS3 loop and transport facilities; Verizon has previously obtained relief from providing unbundled loop and transport facilities above the DS3 level.

Verizon's petitions also seek forbearance from various dominant carrier regulations that apply to interstate switched access services. Verizon offers four basic types of switched access service: Feature Group A, Feature Group B, Feature Group C, and Feature Group D. A more detailed description of these services can be found on Verizon's website, at <http://www22.verizon.com/wholesale/solutions/solution/Switched+Access.html>. Further detail can be found in Verizon's interstate switched access tariff, which is Section 6 of Tariff F.C.C. No. 1, and is available online at <https://retailgateway.bdi.gte.com:1490/>. Verizon is seeking forbearance with respect to all of the switched access services it provides pursuant to this FCC tariff. As indicated in Verizon's petitions, Verizon is seeking forbearance from the following regulations: 47 C.F.R. §§ 61.32, 61.33, 61.38, 61.58, 61.59, 61.41-61.49, 63.03, 63.04, 63.60-63.66, and from the Computer III requirements, including CEI and ONA requirements.

If you have any questions, please call me at 202-515-2467.

Very truly yours,

A handwritten signature in black ink, appearing to read "Joseph Jack". The signature is written in a cursive, somewhat stylized font.

Attachments

REDACTED – FOR PUBLIC INSPECTION